

Social Interactions, Information, and Preferences for Schools: Experimental Evidence from Los Angeles

Based on BFI Working Paper No. 2024-126, “Social Interactions, Information, and Preferences for Schools: Experimental Evidence from Los Angeles,” by Christopher Campos, University of Chicago

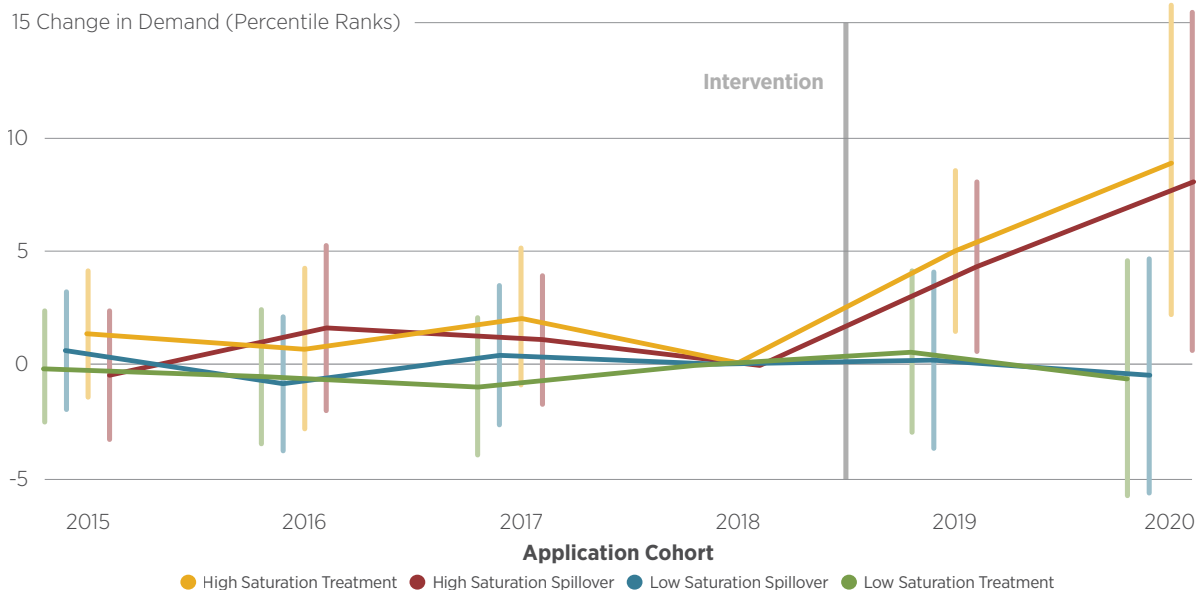
Parents tend to underestimate school quality and overestimate peer quality. However, when they receive information about both, their preferences — and those of their neighbors — shift toward higher quality schools. This leads to changes in enrollment patterns that ultimately enhance students’ socio-emotional well-being.

School choice policies, which give parents the option to allocate tax dollars designated for their child’s education towards the public or private school of their choosing, are soaring in popularity. The effectiveness of these policies, however, depends on families’ ability to select the best schools. While some evidence suggests parents

choose schools that offer the best education, other research indicates that many prioritize peers over academics.

In this paper, author Chris Campos studies parents’ beliefs about school and peer quality, how information about each affects school choices, and

Figure 1 • Impacts on Parents’ Demand for Educational Quality



Note: This graph illustrates how parents’ demand for schools with higher educational quality shifted around the time of Campos’ information intervention, shown by the change in the rank position of schools on school choice applications. As indicated by the red and yellow lines, demand for schools with greater educational quality increased significantly in high-saturation schools. In contrast, the blue and green lines represent low-saturation schools, where no significant changes in demand were observed.

how social interactions mediate these effects. This work builds on Campos' [earlier research](#) with Caitlin Kearns on Los Angeles' Zones of Choice (ZOC) program, a neighborhood-based school choice initiative that groups schools into local markets, offering families several nearby options rather than assigning students to a single neighborhood school.

Campos uses an **information intervention** that **cross-randomizes** whether parents receive information about school quality or peer quality, with some parents receiving information about how much a school improves test scores and others receiving information about characteristic of the student body. He also varies the saturation of information across schools, randomizing parents' proximity to other parents with similar information to assess the role of social interactions. Finally, Campos complements this evidence with survey data on parents' beliefs about school and peer quality. He finds the following:

- When selecting schools within their local areas, families often *underestimate* the schools' educational quality and *overestimate* the student body's perceived quality.
- Both parents who receive information about school quality and those who receive information about peer quality tend to increase their demand for educational quality rather than peer quality. This suggests greater responsiveness to information about educational quality over student composition. Interestingly, these effects are only detected in high-saturation schools, highlighting the crucial role of social interactions in driving changes in demand. Survey evidence supports this

interpretation, as parents report relying on other parents as sources of information.

- In response to the information treatment, parents increase their willingness to travel for school quality while decreasing their willingness to travel for peer quality. Specifically, their willingness to travel for a school with ten percentile points higher school quality increases by 0 to 0.7 kilometers, while their willingness to travel for better peer quality decreases by 0.4 to 1.4 kilometers.
- Campos' intervention also led to changes in school enrollment, resulting in better socio-emotional outcomes for students. While no effects were found on test scores—likely due to the pandemic, with potential for change in future years—improvements were observed in student happiness, interpersonal skills, school connectedness, academic effort, and reduced bullying.

This research challenges the belief that parents prioritize peer quality over educational quality when selecting schools for their children. Instead, it suggests that the emphasis on peer quality may have stemmed from imperfect information. The findings indicate that families demonstrate a stronger preference for school quality, with social interactions playing a crucial role in improving their understanding of the information landscape in school choice settings. Notably, this study is the first to reveal that families not only rely on other parents as information sources but also to enhance the credibility and accessibility of district-provided information. This underscores the importance of social networks in the school choice process, offering valuable insights for shaping future programs.

information intervention: a strategy where targeted information is provided to influence individuals' decisions or behaviors, often to improve decision-making or correct misconceptions

cross-randomize: a method in experimental design where different groups receive different combinations of treatments or interventions, allowing for the study of multiple variables simultaneously

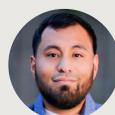
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